

## Message Text

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ACTION EB-07

INFO OCT-01 EA-09 ISO-00 AGRE-00 CIAE-00 COME-00  
INR-07 LAB-04 NSAE-00 EPG-02 SP-02 STR-04 TRSE-00  
FRB-01 OMB-01 /038 W  
-----200743Z 097956 /11

R 200837Z MAY 77

FM AMCONSUL HONG KONG

TO SECSTATE WASHDC 4953

INFO AMEMBASSY SEOUL

AMEMBASSY TAIPEI

UNCLAS HONG KONG 5764

E.O. 11652: N/A

TAGS: ETRD, HK

SUBJECT: DECLINE IN HONG KONG'S TEXTILE EXPORTS

1. IN WHAT APPEARS TO BE A REVERSAL OF THE TREND THROUGH LATE 1975 AND ALL OF 1976, HONG KONG'S EXPORTS OF CLOTHING AND TEXTILES HAVE DECLINED IN THE FIRST TWO MONTHS OF 1977. HKG EXPORT FIGURES SHOW CLOTHING DOWN 6PCT IN VALUE TO THE U.S. AND WOVEN COTTON FABRICS DOWN 23PCT. ON A WORLDWIDE BASIS, CLOTHING IS OFF 1PCT AND OTHER TEXTILES ARE OFF 8PCT.

2. SINCE TEXTILES (ESPECIALLY CLOTHING) ARE HONG KONG'S MOST IMPORTANT EXPORT, 53 PERCENT OF TOTAL IN 1976, THIS SLOWDOWN MAY BE RESPONSIBLE FOR THE RECENT WEAKENING OF THE HONG KONG DOLLAR, WHICH TRADED AT 4.67 - 4.69 PER U S DOLLAR ON MAY 19.

3. WE ARE UNSURE ABOUT REASONS FOR TEXTILE EXPORT SLOWDOWN. MAY BE PARTLY THE RESULT OF HIGHER HONG KONG PRICES WHICH STEMMED FROM BOTH SHARPLY RISING WAGE RATES AND APPRECIATION OF HONG KONG DOLLAR IN 1976 AND EARLY 1977. HONG KONG DOLLAR APPRECIATED ABOUT 8 PER CENT FROM END-1975 TO FEBRUARY 1977. TIGHTENING OF IMPORT RESTRICTIONS IN SOME MARKETS MAY ALSO BE A FACTOR.

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4. APPRECIATE INDICATIONS OF RECENT TEXTILE EXPORT TRENDS IN TAIWAN, KOREA. CROSS

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TEXTILES, EXPORTS, DATA  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 20-May-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977HONGK05764  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Litigation Codes:**  
**Litigation History:**  
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**Message ID:** 302f408f-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
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**Review Release Event:** n/a  
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**Review Withdrawn Fields:** n/a  
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**Subject:** DECLINE IN HONG KONG'S TEXTILE EXPORTS  
**TAGS:** ETRD, HK  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
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Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
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